


**UtahAmerican Energy, Inc.**

December 20, 2005

Pam Grubaugh-Littig
Permit Supervisor
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801


C/007/0013

Re: 06-005, (Further Explanation as per November 23, 2005 Letter), Horse Canyon Mine, Part B Lila C/007/013.

Dear Ms. Grubaugh-Littig,

Attached you will find three (3) red line copies of the revisions suggested by the November 23, 2005 Letter for the Part "B" of the Horse Canyon Permit, Lila Canyon. The request for further explanations came as a result of the information SUWA submitted at the informal conference on November 8th 2005.

In addition I have included a summary of responses to help facilitate your review.

Should you have any questions please call.

Sincerely,



R. Jay Marshall
Project Manager

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DIV. OF OIL, GAS & MINING

Subject: Supplemental Information Needed Lila Canyon Extension of the Horse Canyon Mine, UtahAmerican Energy, Inc. (UEI), Horse Canyon Mine, C/007/0013, Task ID #2304, Outgoing File

- 1) UEI must show flow modeling of ephemeral streams. The modeling must demonstrate different size events (such as 2 - year, 6 - hour event, 10 - year, 6 - hour event, and 25 - year, 6 - hour event).

See new Appendix 7-10.

- 2) UEI must address limitations with sampling ephemeral streams for establishing baseline water quality and flow data, including such factors as access, holding times, and applicability to the Lila Canyon Project. UEI must also discuss why they have not used remote or automatic sampling methods (crest-staff gauges, single stage samplers, ISCO instruments, etc.)

See Section 724-200 page 29 of the text in chapter 7.

- 3) UEI must remove the phrase "ephemeral acting" from the Mining and Reclamation Plan (MRP) and replace with "intermittent by rule with ephemeral flow."

Text throughout Chapter 7 has been revised replacing "ephemeral acting" with "intermittent by rule with ephemeral flow".

- 4) UEI must redo the map of the potentiometric surface on Plate 7-1 and Plate 7-2a:
 - a) Use a larger contour interval that more realistically reflects the accuracy of the data over the area mapped (such as 25 - 50- or 100foot contours).

Plates 7-1 and 7-2a have been revised.

- b) Consider using the water level at the Horse Canyon Mine sump as a fourth data point to improve accuracy.

Plates 7-1 and 7-2a have been revised

- c) Consider the area that can realistically be covered by extrapolating the data.

Plates 7-1 and 7-2a have been revised

5) UEI must include additional information about renewable resources:

- a) Section 525.110 of the MRP must list all maps that show renewable resources such as grazing, wildlife habitat, and areas of aquifer recharge. The maps must be at a scale of 1:12,000.

Grazing allotments are shown on Plate 4-2, wildlife habitat is shown on Plate 3-1, spring recharge areas are shown on Plate 7-1A.

- b) Section 525.120 of the MRP must give a detailed narrative of the types of renewable resources in and around the permit area and what potential impact subsidence could have. UEI must also address the possibility of timbering in the area.

See Sections 525.120 and 525.130.

- c) UEI must also state that since renewable resources exist, a subsidence control plan is needed.

See Sections 525.120 and 525.130

6) UEI must address the 100-foot stream buffer zone issues

- a) Show the 100-foot stream buffer zones in Lila Canyon Wash and the Right Fork of Lila Canyon Wash on all appropriate maps.

Plate 5-2 shows where stream buffer zone signs will be posted near Lila Canyon Wash. Lila Canyon Wash is intermittent by rule with Ephemeral Flow.

- b) Explain why there will be no impacts to Lila Canyon or the Right Fork of Lila Canyon Wash if mining and reclamation activities occur within the 100-foot buffer zone.

Plate 5-2 shows where stream buffer zone signs will be posted near Lila Canyon Wash. Lila Canyon Wash is intermittent by rule with Ephemeral Flow. The Right Fork of Lila Canyon is Ephemeral and stream buffer zones do not apply

- c) Explain why no buffer zones are needed on any of the other drainages on and adjacent to the permit area other than the Lila Canyon Wash and the Right Fork of Lila Canyon Wash.

See Section 731.600

- 7) UEI must provide additional information on the Stinky Springs:
 - a) Show the springs on Plate 7-1 and other maps.
Stinky Springs have been added to Plates 7-1A and 7-4.
 - b) Describe if the springs are related to a fault.
See Section 704-100 Pages 18-19.
 - c) Describe if the springs are in a saturated zone or if they are part of a regional aquifer.
See Pages 18-19 of Chapter 7 Text.
 - d) UEI must define the aquifers in and around the permit area:
See Section 724-100 of Chapter 7 Text.
- 8) Show that there is or is not a regional aquifer in the area.
 - a) Show the relationship of faults to ground water resources.
See Page 20 of Chapter 7.
 - b) UEI must discuss the possibility of mining - related impacts to Range Creek, Price River Basin and Green River.
See PHC and pages 27, 28 of the Text in chapter 7.
- 9) UEI must explain the relationship between overburden thickness and subsidence impacts.
 - a) UEI must not rely on blanket statements about the overburden thickness being sufficient to protect resources.
See section 525.120.
 - b) UEI must cite studies that show that streams can be subsided with no significant impacts. (for example, Burnout Canyon Study)
See section 525.120.
 - c) UEI must clearly describe the mitigation measures that will be employed if fractures or if any other subsidence-related features impact the lands on or adjacent to the permit area.
See section 525.120.
- 10) UEI must show the extent of spring and seep surveys performed by JBR and Earthfax on maps. The Earthfax report must be included in the MRP or made public.

See Plate 7-1A. Only summary sheet remain of the Earhfax report and are included in the MRP.

- 11) UEI must include and describe the Stinky Spring Wash surface water monitoring site on Plate 7-1 and other applicable maps as well as in Appendix 7-7.
L-18-S has been added to Plates 7-1A, 7-4 and to Fig1 of Appendix 7-7, Appendix 7-1 Appendix 7-8 and to the Text in Chapter 7.
- 12) UEI must correct the water consumption calculations to reflect 4.5 million tons not 4 million tons in Table 2 of Appendix 7-3. UEI must clarify the difference between the estimated 15 million gallons of consumption cited in Appendix 7-3 and the estimate of consumption cited in Table 2 of Appendix 7-3.
Appendix 7-3 (PHC) has been revised reflecting 4.5 million tons being produced. The 15 million gallons is discussed in the PHC.
- 13) UEI must define and explain the groundwater recharge source.
See Page 19 of Chapter 7.
- 14) UEI must be more specific about their sources for potable and process water.
See page 27 Chapter 5.
- 15) UEI must update the wildlife habitat boundaries and ranking to include the pronghorn on Plate 3-1 (Confidential).
Wildlife habitat boundaries and ranking are current within the permit area.
- 16) UEI must explain the proposed construction techniques for the refuse pile:
 - a) Define "end dumping".
See Appendix 5-7.
 - b) Explain why "end dumping" will not be used.
See Appendix 5-7.
- 17) UEI must show all future expansion project proposals that are mentioned in the MRP on the affected area maps (R645-301-521.141), such as:
 - a) Rail spur.

See new Plate 4-1B.

b) Coal load out.
See new Plate 4-1B.

c) Conveyor belts.
See new Plate 4-1B.

18) UEI must update the surface ownership information and maps to show the areas that were recently transferred to CEU.
Various plates and Text in Chapters 1 and 4 has been revised to reflect the new ownership for CEU as well as Bronco Coal Company.

19) UEI must state in Section 420 of the MRP, Air Quality, that the current air quality permit is for 1.5 million tons of coal per year. UEI should commit that they will obtain a new air quality permit to accommodate future increases in production.
Page 15 of Chapter 4 has been revised.

20) UEI must include analytical data about the Horse Canyon Waste Rock Site and include the pertinent information in the MRP.
Additional information has been added to Appendix 6-2 which includes additional acid-toxic information specific to the Lila Canyon portals.

21) In a cover letter, UEI should explain and redo SUWA's Exhibit 1 that implies there are gaps in the data.
This was submitted with a previous cover letter.

WordPerfect Document Compare Summary

Original document: C:\Lila\APPROVED LILA MRP\Word
Perfect\WPChapter1\Chapter 1Rev5.wpd

Revised document: @PFDesktop\MyComputer\C:\Lila\APPROVED LILA
MRP\Nov_23_Supp_Inf\Chapter 1 Dec 05.wpd

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Deleted text is shown as full text.

Insertions are shown with the following attributes and color:

Double Underline, Redline, Red RGB(255,0,0).

The document was marked with 20 Deletions, 19 Insertions, 0 Moves.